

Required fields are shown with yellow backgrounds and asterisks.

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2026 - * 10

Amendment No. (req. for Amendments *)

Filing by Long-Term Stock Exchange, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input checked="" type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		
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Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

A proposal to amend the LTSE Fee Schedule to introduce the LTSE Membership Launchpad Program, which offers discounted membership fees, logical connectivity fees and market data fees for up to 12 months for new Members of the Exchange.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Jill Last Name * Ostergaard

Title * Chief Regulatory Officer

E-mail * jill@longtermstockexchange.com

Telephone * (646) 832-6988 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Long-Term Stock Exchange, Inc. has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 04/09/2026

(Title *)

By Jill Ostergaard

Chief Regulatory Officer

(Name *)

Jill Ostergaard
Digitally signed by Jill Ostergaard
Date: 2026.04.09 14:06:19 -04'00'

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

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SR-LTSE-2026-10 19b-4.docx

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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SR-LTSE-2026-10 Exhibit 1.docx

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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SR-LTSE-2026-10 Exhibit 5.docx

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² Long-Term Stock Exchange, Inc. (“LTSE” or the “Exchange”) proposes to amend the LTSE Fee Schedule to introduce the LTSE Membership Launchpad Program, which offers discounted membership fees, logical connectivity fees and market data fees for up to 12 months for new Members of the Exchange. The Exchange proposes to implement the changes to the fee schedule pursuant to this proposal on April 9, 2026.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1. The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to resolution of the Board of Directors of the Exchange dated February 2, 2023. No further action is required under the Exchange’s governing documents. Therefore, the Exchange’s internal procedures with respect to the proposed rule change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

Jill Ostergaard
Chief Regulatory Officer
Long-Term Stock Exchange, Inc.
(646) 832-6988

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

3. Self-Regulatory Organization’s Statement on the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The Exchange proposes to introduce the LTSE Membership Launchpad Program (the “Program”) to offer discounted membership fees, logical connectivity fees and market data fees for up to 12 months for new LTSE Members. The purpose of this filing is to encourage smaller, retail-oriented market participants that are not currently LTSE Members to become Members by discounting certain fixed costs associated with becoming a Member of LTSE. The Exchange proposes to codify the Program under Section E of the Fee Schedule and to implement the fee changes effective April 9, 2026.

The Exchange also notes that the Program is similar to a program adopted by another exchange that similarly provides discounts on membership, connectivity and market data fees for new members for the similar purpose of encouraging smaller, retail-oriented market participants to become members of the exchange.³

Current Market and Competitive Environment

The Exchange operates in a highly competitive market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and Self-Regulatory Organization revenues and, also, recognized that current regulation of the market system “has

³ See Securities Exchange Act Release No. 91626 (April 21, 2021), 79 FR 22287(April 27, 2021) (SR-NYSE-2021-22) See also New York Stock Exchange Price List, NYSE Membership On-Ramp Program.

been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”⁴

While Regulation NMS has enhanced competition, it has also fostered a “fragmented” market structure where trading in a single stock can occur across multiple trading centers. When multiple trading centers compete for order flow in the same stock, the Commission has recognized that “such competition can lead to the fragmentation of order flow in that stock.” Indeed, equity trading is currently dispersed across 17 exchanges, 31 alternative trading systems, and numerous broker-dealer internalizers and wholesalers, all competing for order flow. Based on publicly available information, no single exchange has more than 15% market share. Therefore, no exchange possesses significant pricing power in the execution of equity order flow. More specifically, the Exchange’s market share of trading in Tape A, B and C securities combined is less than 1%.

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can move order flow or discontinue or reduce use of certain categories of products, in response to fee changes. Accordingly, competitive forces constrain exchange transaction fees that relate to orders that would provide liquidity on an exchange.

Proposed Rule Change

The Exchange proposes to discount certain fixed costs related to Exchange membership in order to incentivize smaller, retail-oriented market participants to consider LTSE membership. Specifically, the Exchange proposes to introduce a new LTSE Membership

⁴ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37495, 37499 (June 29, 2005) (S7-10-04) (Final Rule) (“Regulation NMS”).

Launchpad Program (the “Program”) that offers significant discounts for up to 12 months on the Membership Fees, Logical Connectivity Fees and Market Data Fees for new Members, subject to specific restrictions.

Proposed Discounts

The proposed discounts would be phased out over a period of 12 months. Specifically, during Phase 1 (months 1–6) following approval of a new membership application, the applicable discount for the Membership Fee, Logical Connectivity Fees and Market Data Fees would be 100% for each eligible product. During Phase 2 (months 7–12), the amount of the discount would become 50%. The Program would terminate at the end of Phase 2 (12 months), and the Member would be charged at the regular rate set forth in the LTSE Fee Schedule from that point forward.

Membership Fee

The Exchange currently charges a Membership Fee of \$10,000 a year for all LTSE Members (\$833.33 per month). The Membership Fee is assessed on a calendar year basis, with the fee for each upcoming year due by December 31st.⁵

For example, assuming new Member A is approved on May 7, 2026, the Exchange would calculate and apply the 2026 annual membership fee as follows:

- Apply a 100% discount for the period June 2026 through November 2026 (months 1–6)
- Apply a 50% discount for December 2026 (month 7) = \$416.67 ($\$833.33 * 50\%$)

⁵ If a firm is admitted as a Member during a calendar year, the Annual Membership Fee is prorated (starting with the next calendar month) based upon the date the firm becomes a Member.

The Exchange would calculate and apply Member A's 2027 annual membership fee as follows:

- Apply a 50% discount for the period January 2027 through May 2027 (months 8–12) = \$2,083.32 ($\$833.33 * 5 \text{ months} * 50\%$)
- Apply no discount for the period June 2027 through December 2027 = \$5,833.31 ($\$833.33 * 7 \text{ months}$)

To be eligible, a new Member may not have been, within the prior 6 months, approved as an LTSE Member. Eligibility for discounts begins in the month following membership approval, which will count as month 1 for the purposes of assessing the 12 months of discounts. A new Member is only eligible to enroll in the Program once. A new Member that is an "affiliate" of an existing Member is ineligible to participate in the Program. Affiliate is proposed to be defined, for purposes of the fee schedule, as any Member under 75% common ownership or control of that Member.

Market Data Fees

LTSE offers the following market data products to all market participants, including new Members on a voluntary, subscription basis: the LTSE Depth of Book Feed, the LTSE Top of Book Feed, and the LTSE Last Sale Feed, together the ("Market Data Feeds"). Each Market Data Feed allows a vendor to redistribute certain data elements included in the data feed on a real-time basis. For the Depth of Book Feed the Exchange charges \$2,500 per data recipient per month. For the Top of Book Feed, the Exchange charges \$500 per data recipient per month. For the Last Sale Feed the Exchange charges \$0 per month. A firm that was a subscriber to any of the LTSE Market Data Feeds six (6) months before becoming approved as a new Member is ineligible for Program's market data fee discounts.

Assume new Member A is approved on May 7, 2026, and subscribes to the LTSE Depth of Book Feed for 5 data recipients and the LTSE Top of Book Feed for 10 data recipients. Under the current fee schedule, Member A would be charged \$2,500 per data recipient per month for the Depth of Book Feed (totaling \$12,500 per month) and \$500 per data recipient per month for the Top of Book Feed (totaling \$5,000 per month), for a combined total of \$17,500 per month.

Under the Program, during Phase 1 (months 1–6), Member A would receive a 100% discount on these fees, resulting in no charge for market data during this period. During Phase 2 (months 7–12), Member A would receive a 50% discount, resulting in monthly charges of \$6,250 for the Depth of Book Feed and \$2,500 for the Top of Book Feed, for a combined total of \$8,750 per month.

Beginning in month 13, Member A would be charged the full applicable rates set forth in the LTSE Fee Schedule.

Logical Connectivity Fees

Finally, the Program would be available for fees charged for the Logical Connectivity sessions. These application sessions, commonly known as ports, are utilized to perform a particular function on the Exchange, such as order entry or order cancellation, receipt of drop copies, proprietary market data dissemination, or requesting data to be backfilled (i.e., “gap ports”). Members can also choose to connect to LTSE indirectly through a session maintained by a third-party service bureau. Service bureau sessions may provide access to one or multiple Members on a single session.

The Exchange charges \$450 per port per month but waives the fees for three (3) sessions per month per market participant which the Exchange believes encourages market participants to connect to the Exchange’s backup trading systems and to conduct appropriate testing of their use

of the Exchange. All Logical Connectivity Fees beyond the first 3 complimentary sessions will be eligible. However, the Exchange notes that Cross-Connect Fees will not be eligible for the Program.

Assume new Member A is approved on May 7, 2026, and subscribes to 20 Logical Connectivity sessions. Under the current fee schedule, Member A would be charged \$450 per port per month for each port in excess of the three (3) complimentary sessions, resulting in 17 billable ports and a total monthly charge of \$7,650.

Under the Program, during Phase 1 (months 1–6), Member A would receive a 100% discount on these fees and would not be charged for Logical Connectivity during this period. During Phase 2 (months 7–12), Member A would receive a 50% discount and would be charged \$225 per port per month for 17 ports, resulting in a total monthly charge of \$3,825.

Beginning in month 13, Member A would be charged the full applicable rates set forth in the LTSE Fee Schedule.

(b) Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Section 6(b)(4) of the Act,⁷ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among all of its Members and issuers and other persons using its facilities; Section 6(b)(5) of the Act,⁸ which requires, among other things, that the rules of the Exchange be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4).

⁸ 15 U.S.C. 78f(b)(5).

market and a national market system, and to protect investors and the public interest and are not designed to permit unfair discrimination between customers, issuers, brokers or dealers. The Exchange also believes that the proposed rule change is reasonable, fair and equitable, and non-discriminatory.

As discussed above, the Exchange operates in a highly fragmented and competitive market where market participants can and do move order flow or discontinue or reduce use of certain categories of products, in response to fee changes. Moreover, in the current competitive market environment, market participants also have a choice of where to become members. In light of this, the Exchange believes that it is reasonable to offer discounted Membership Fees, Logical Connectivity Fees and Market Data Fees for up to 12 months for new Members in order to provide an incentive for smaller broker-dealers to apply for Exchange membership and a trading license. The Exchange believes that providing an incentive for broker-dealers that are not currently Exchange Members to apply for membership would encourage market participants to become Members of the Exchange and bring additional liquidity to a public market. In addition, the Exchange believes that the proposal could result in additional retail liquidity to a public exchange, to the benefit of all market participants. The Exchange believes creating incentives and opportunities for new Members on the Exchange protects investors and the public interest by increasing the competition and liquidity on a transparent public market.

The Exchange believes the proposal constitutes an equitable allocation of fees because the proposed change would be offered to all market participants that wish to become new Members, all of whom would continue to be subject to the same fee structure and access to the Exchange's market would continue to be offered on fair and nondiscriminatory terms.

The Exchange believes that the proposal is not unfairly discriminatory. In the prevailing competitive environment, Members are free to disfavor Exchange membership and the Exchange's pricing if they believe that alternatives offer them better value. The proposal is not unfairly discriminatory because it neither targets nor uniquely impacts any particular category of market participant. The proposed discounted Membership Fees, Logical Connectivity Fees and Market Data Fees for up to 12 months do not permit unfair discrimination because the proposed changes would apply to all similarly situated new Members, who would all benefit from the discounted fees on an equal basis. For the foregoing reasons, the Exchange believes that the proposal is consistent with the Act.

4. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,⁹ the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Intramarket Competition

Instead, as discussed above, the Exchange believes that the proposed changes would increase competition by reducing the cost of operating as an Exchange Member, which the Exchange believes will enhance market quality through the submission of additional retail liquidity to a public exchange, thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for member organizations. As a result, the Exchange believes that the proposed change furthers the Commission's goal in

⁹ 15 U.S.C. 78f(b)(8).

adopting Regulation NMS of fostering integrated competition among orders, which promotes “more efficient pricing of individual stocks for all types of orders, large and small.”¹⁰

The proposed changes are designed to attract additional Members and order flow to the Exchange. The Exchange believes that the proposed changes would continue to incentivize market participants to become Exchange Members and direct order flow, especially retail order flow, to the Exchange. Greater liquidity benefits all market participants on the Exchange by encouraging market participants to become Exchange Members and send orders to the Exchange, thereby providing more trading opportunities and contributing to robust levels of liquidity on the Exchange, which benefits all market participants. The proposed discounts would be available to all similarly situated market participants, and, as such, the proposed change would not impose a disparate burden on competition among market participants on the Exchange. As noted, the proposal would apply to all similarly situated Members on the same and equal terms, who would benefit from the changes on the same basis. Accordingly, the proposed change would not impose a disparate burden on competition among market participants on the Exchange.

Intermarket Competition

The Exchange operates in a highly competitive market in which market participants can readily choose to send their orders to other exchange and off exchange venues if they deem fee levels at those other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees and rebates to remain competitive with other exchanges and with off-exchange venues. Because competitors are free to modify their own fees and credits in response, and because market participants may readily adjust their order

¹⁰ Regulation NMS, 70 FR at 37498-99.

routing practices, the Exchange does not believe its proposed fee change can impose any burden on intermarket competition.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

6. Extension of Time Period for Commission Action

Not applicable.

7. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act,¹¹ and Rule 19b-4(f)(2) thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.¹²

8. Proposed Rule Change Based on the Rules of Another Self-Regulatory Organization or of the Commission

This proposed rule change is based on the New York Stock Exchange Membership On-Ramp Program.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

¹¹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹² 15 U.S.C. 78s(b)(2)(B).

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of the Proposed Rule Change for Publication in the Federal Register.

Exhibit 5 - Text of proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-LTSE-2026-10]

Self-Regulatory Organizations: Long-Term Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the LTSE Fee Schedule to Introduce the LTSE Membership Launchpad Program

Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on [DATE], Long-Term Stock Exchange, Inc. (“LTSE” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the LTSE Fee Schedule to introduce the LTSE Membership Launchpad Program, which offers discounted membership fees, logical connectivity fees and market data fees for up to 12 months for new Members of the Exchange. The Exchange proposes to implement the changes to the fee schedule pursuant to this proposal on April 9, 2026.

The text of the proposed rule change is available at the Exchange’s website at <https://longtermstockexchange.com/>, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

II. Self-Regulatory Organization’s Statement on the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to introduce the LTSE Membership Launchpad Program (the “Program”) to offer discounted membership fees, logical connectivity fees and market data fees for up to 12 months for new LTSE Members. The purpose of this filing is to encourage smaller, retail-oriented market participants that are not currently LTSE Members to become Members by discounting certain fixed costs associated with becoming a Member of LTSE. The Exchange proposes to codify the Program under Section E of the Fee Schedule and to implement the fee changes effective April 9, 2026.

The Exchange also notes that the Program is similar to a program adopted by another exchange that similarly provides discounts on membership, connectivity and market data fees for new members for the similar purpose of encouraging smaller, retail-oriented market participants to become members of the exchange.³

³ See Securities Exchange Act Release No. 91626 (April 21, 2021), 79 FR 22287(April 27, 2021) (SR-NYSE-2021-22) See also New York Stock Exchange Price List, NYSE Membership On-Ramp Program.

Current Market and Competitive Environment

The Exchange operates in a highly competitive market. The Commission has repeatedly expressed its preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, the Commission highlighted the importance of market forces in determining prices and Self-Regulatory Organization revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”⁴

While Regulation NMS has enhanced competition, it has also fostered a “fragmented” market structure where trading in a single stock can occur across multiple trading centers. When multiple trading centers compete for order flow in the same stock, the Commission has recognized that “such competition can lead to the fragmentation of order flow in that stock.” Indeed, equity trading is currently dispersed across 17 exchanges, 31 alternative trading systems, and numerous broker-dealer internalizers and wholesalers, all competing for order flow. Based on publicly available information, no single exchange has more than 15% market share. Therefore, no exchange possesses significant pricing power in the execution of equity order flow. More specifically, the Exchange’s market share of trading in Tape A, B and C securities combined is less than 1%.

The Exchange believes that the ever-shifting market share among the exchanges from month to month demonstrates that market participants can move order flow or discontinue or reduce use of certain categories of products, in response to fee changes.

⁴ See Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37495, 37499 (June 29, 2005) (S7-10-04) (Final Rule) (“Regulation NMS”).

Accordingly, competitive forces constrain exchange transaction fees that relate to orders that would provide liquidity on an exchange.

Proposed Rule Change

The Exchange proposes to discount certain fixed costs related to Exchange membership in order to incentivize smaller, retail-oriented market participants to consider LTSE membership. Specifically, the Exchange proposes to introduce a new LTSE Membership Launchpad Program (the “Program”) that offers significant discounts for up to 12 months on the Membership Fees, Logical Connectivity Fees and Market Data Fees for new Members, subject to specific restrictions.

Proposed Discounts

The proposed discounts would be phased out over a period of 12 months. Specifically, during Phase 1 (months 1–6) following approval of a new membership application, the applicable discount for the Membership Fee, Logical Connectivity Fees and Market Data Fees would be 100% for each eligible product. During Phase 2 (months 7–12), the amount of the discount would become 50%. The Program would terminate at the end of Phase 2 (12 months), and the Member would be charged at the regular rate set forth in the LTSE Fee Schedule from that point forward.

Membership Fee

The Exchange currently charges a Membership Fee of \$10,000 a year for all LTSE Members (\$833.33 per month). The Membership Fee is assessed on a calendar year basis, with the fee for each upcoming year due by December 31st.⁵

⁵ If a firm is admitted as a Member during a calendar year, the Annual Membership Fee is prorated (starting with the next calendar month) based upon the date the firm becomes a Member.

For example, assuming new Member A is approved on May 7, 2026, the Exchange would calculate and apply the 2026 annual membership fee as follows:

- Apply a 100% discount for the period June 2026 through November 2026 (months 1–6)
- Apply a 50% discount for December 2026 (month 7) = \$416.67 ($\$833.33 * 50\%$)

The Exchange would calculate and apply Member A's 2027 annual membership fee as follows:

- Apply a 50% discount for the period January 2027 through May 2027 (months 8–12) = \$2,083.32 ($\$833.33 * 5 \text{ months} * 50\%$)
- Apply no discount for the period June 2027 through December 2027 = \$5,833.31 ($\$833.33 * 7 \text{ months}$)

To be eligible, a new Member may not have been, within the prior 6 months, approved as an LTSE Member. Eligibility for discounts begins in the month following membership approval, which will count as month 1 for the purposes of assessing the 12 months of discounts. A new Member is only eligible to enroll in the Program once. A new Member that is an “affiliate” of an existing Member is ineligible to participate in the Program. Affiliate is proposed to be defined, for purposes of the fee schedule, as any Member under 75% common ownership or control of that Member.

Market Data Fees

LTSE offers the following market data products to all market participants, including new Members on a voluntary, subscription basis: the LTSE Depth of Book Feed, the LTSE Top of Book Feed, and the LTSE Last Sale Feed, together the (“Market Data Feeds”). Each Market Data Feed allows a vendor to redistribute certain data elements included in the data feed on a real-time

basis. For the Depth of Book Feed the Exchange charges \$2,500 per data recipient per month. For the Top of Book Feed, the Exchange charges \$500 per data recipient per month. For the Last Sale Feed the Exchange charges \$0 per month. A firm that was a subscriber to any of the LTSE Market Data Feeds six (6) months before becoming approved as a new Member is ineligible for Program's market data fee discounts.

Assume new Member A is approved on May 7, 2026, and subscribes to the LTSE Depth of Book Feed for 5 data recipients and the LTSE Top of Book Feed for 10 data recipients. Under the current fee schedule, Member A would be charged \$2,500 per data recipient per month for the Depth of Book Feed (totaling \$12,500 per month) and \$500 per data recipient per month for the Top of Book Feed (totaling \$5,000 per month), for a combined total of \$17,500 per month.

Under the Program, during Phase 1 (months 1–6), Member A would receive a 100% discount on these fees, resulting in no charge for market data during this period. During Phase 2 (months 7–12), Member A would receive a 50% discount, resulting in monthly charges of \$6,250 for the Depth of Book Feed and \$2,500 for the Top of Book Feed, for a combined total of \$8,750 per month.

Beginning in month 13, Member A would be charged the full applicable rates set forth in the LTSE Fee Schedule.

Logical Connectivity Fees

Finally, the Program would be available for fees charged for the Logical Connectivity sessions. These application sessions, commonly known as ports, are utilized to perform a particular function on the Exchange, such as order entry or order cancellation, receipt of drop copies, proprietary market data dissemination, or requesting data to be backfilled (i.e., “gap ports”). Members can also choose to connect to LTSE indirectly through a session maintained by

a third-party service bureau. Service bureau sessions may provide access to one or multiple Members on a single session.

The Exchange charges \$450 per port per month but waives the fees for three (3) sessions per month per market participant which the Exchange believes encourages market participants to connect to the Exchange's backup trading systems and to conduct appropriate testing of their use of the Exchange. All Logical Connectivity Fees beyond the first 3 complimentary sessions will be eligible. However, the Exchange notes that Cross-Connect Fees will not be eligible for the Program.

Assume new Member A is approved on May 7, 2026, and subscribes to 20 Logical Connectivity sessions. Under the current fee schedule, Member A would be charged \$450 per port per month for each port in excess of the three (3) complimentary sessions, resulting in 17 billable ports and a total monthly charge of \$7,650.

Under the Program, during Phase 1 (months 1–6), Member A would receive a 100% discount on these fees and would not be charged for Logical Connectivity during this period. During Phase 2 (months 7–12), Member A would receive a 50% discount and would be charged \$225 per port per month for 17 ports, resulting in a total monthly charge of \$3,825.

Beginning in month 13, Member A would be charged the full applicable rates set forth in the LTSE Fee Schedule.

(b) Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Section 6(b)(4) of the Act,⁷ in particular, in that it provides

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4).

for the equitable allocation of reasonable dues, fees and other charges among all of its Members and issuers and other persons using its facilities; Section 6(b)(5) of the Act,⁸ which requires, among other things, that the rules of the Exchange be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and to protect investors and the public interest and are not designed to permit unfair discrimination between customers, issuers, brokers or dealers. The Exchange also believes that the proposed rule change is reasonable, fair and equitable, and non-discriminatory.

As discussed above, the Exchange operates in a highly fragmented and competitive market where market participants can and do move order flow or discontinue or reduce use of certain categories of products, in response to fee changes. Moreover, in the current competitive market environment, market participants also have a choice of where to become members. In light of this, the Exchange believes that it is reasonable to offer discounted Membership Fees, Logical Connectivity Fees and Market Data Fees for up to 12 months for new Members in order to provide an incentive for smaller broker-dealers to apply for Exchange membership and a trading license. The Exchange believes that providing an incentive for broker-dealers that are not currently Exchange Members to apply for membership would encourage market participants to become Members of the Exchange and bring additional liquidity to a public market. In addition, the Exchange believes that the proposal could result in additional retail liquidity to a public exchange, to the benefit of all market participants. The Exchange believes creating incentives and opportunities for new Members on the Exchange protects investors and the public interest by increasing the competition and liquidity on a transparent public market.

⁸ 15 U.S.C.78f(b)(5).

The Exchange believes the proposal constitutes an equitable allocation of fees because the proposed change would be offered to all market participants that wish to become new Members, all of whom would continue to be subject to the same fee structure and access to the Exchange's market would continue to be offered on fair and nondiscriminatory terms.

The Exchange believes that the proposal is not unfairly discriminatory. In the prevailing competitive environment, Members are free to disfavor Exchange membership and the Exchange's pricing if they believe that alternatives offer them better value. The proposal is not unfairly discriminatory because it neither targets nor uniquely impacts any particular category of market participant. The proposed discounted Membership Fees, Logical Connectivity Fees and Market Data Fees for up to 12 months do not permit unfair discrimination because the proposed changes would apply to all similarly situated new Members, who would all benefit from the discounted fees on an equal basis. For the foregoing reasons, the Exchange believes that the proposal is consistent with the Act.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,⁹ the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Intramarket Competition

Instead, as discussed above, the Exchange believes that the proposed changes would increase competition by reducing the cost of operating as an Exchange Member, which the Exchange believes will enhance market quality through the submission of additional retail

⁹ 15 U.S.C. 78f(b)(8).

liquidity to a public exchange, thereby promoting market depth, price discovery and transparency and enhancing order execution opportunities for member organizations. As a result, the Exchange believes that the proposed change furthers the Commission's goal in adopting Regulation NMS of fostering integrated competition among orders, which promotes "more efficient pricing of individual stocks for all types of orders, large and small."¹⁰

The proposed changes are designed to attract additional Members and order flow to the Exchange. The Exchange believes that the proposed changes would continue to incentivize market participants to become Exchange Members and direct order flow, especially retail order flow, to the Exchange. Greater liquidity benefits all market participants on the Exchange by encouraging market participants to become Exchange Members and send orders to the Exchange, thereby providing more trading opportunities and contributing to robust levels of liquidity on the Exchange, which benefits all market participants. The proposed discounts would be available to all similarly situated market participants, and, as such, the proposed change would not impose a disparate burden on competition among market participants on the Exchange. As noted, the proposal would apply to all similarly situated Members on the same and equal terms, who would benefit from the changes on the same basis. Accordingly, the proposed change would not impose a disparate burden on competition among market participants on the Exchange.

Intermarket Competition

The Exchange operates in a highly competitive market in which market participants can readily choose to send their orders to other exchange and off exchange venues if they deem fee levels at those other venues to be more favorable. In such an environment, the

¹⁰ Regulation NMS, 70 FR at 37498-99.

Exchange must continually adjust its fees and rebates to remain competitive with other exchanges and with off-exchange venues. Because competitors are free to modify their own fees and credits in response, and because market participants may readily adjust their order routing practices, the Exchange does not believe its proposed fee change can impose any burden on intermarket competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

This proposed rule change establishes dues, fees or other charges among its members and, as such, may take effect upon filing with the Commission pursuant to Section 19(b)(3)(A)(ii) of the Act¹¹ and paragraph (f)(2) of Rule 19b-4 thereunder.¹² Accordingly, the proposed rule change would take effect upon filing with the Commission.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend the rule change if it appears to the Commission that the action is necessary or appropriate in the public interest, for the protection of investors, or would otherwise further the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

¹¹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹² 17 CFR 240.19b-4(f)(2).

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>);
or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-LTSE-2026-10 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-LTSE-2026-10. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of LTSE and on its Internet website at <https://longtermstockexchange.com/>.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-LTSE-2026-10 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

¹³ 17 CFR 200.30-3(a)(12).

Exhibit 5 – Text of the Proposed Rule Change

New language

[deleted language]

Long-Term Stock Exchange Fee Schedule
(~~February~~ April 9, 2026)

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E. LTSE Membership Launchpad Program

Effective April 9, 2026, a new Member as described below is eligible to participate in the LTSE Membership Launchpad Program (the “Program”). For such new Member, the Program provides for discounted Membership Fee, Logical Connectivity Fees and Market Data Fees for up to 12 months according to the schedule set forth below, subject to the following:

- To be eligible, a new Member may not have been, within the prior 6 months, approved as an LTSE Member. Eligibility for discounts begins in the month that a new membership application is approved. A Member is eligible to enroll in the Program only once.
- A Member that is an “affiliate” of an existing Member is ineligible to participate in the Program. Affiliate, for this purpose of the fee schedule, is defined as any member organization under 75% common ownership or control of that member organization.
- A firm that was a subscriber to any of the market data products listed in Section D of this Fee Schedule within the prior 6 months before becoming approved as a new Member is ineligible for the Program’s discounts on Market Data Fees.
- All Logical Connectivity Fees beyond the first 3 complimentary sessions will be eligible, but Cross-Connect Fees will not be eligible.
- A new Member that is eligible for the Program will be subject to the following discounts:

<u>Eligible Fees</u>	<u>Months 1-6 Discount</u>	<u>Months 7-12 Discount</u>
<u>Membership Fee</u>	<u>100%</u>	<u>50%</u>
<u>Logical Connectivity Fees</u>	<u>100%</u>	<u>50%</u>
<u>Market Data Fees</u>	<u>100%</u>	<u>50%</u>